

Proposed
New Comparability Cash Balance Plan
FOR THE PLAN YEAR 01/01/2007 THROUGH 12/31/2007

Cash Balance Plan PLUS OPTIONAL Profit Sharing Plan WITH 401(k) Deferrals permitted.

- Top-Heavy Minimum Benefit requirement is met in Cash Balance Plan.
- Safe-Harbor 401(k) ADP test is met in Profit Sharing Plan (Non-Elective Safe Harbor contribution at least 3% allocation).
- Total contribution (Cash Balance Plan PLUS Profit Sharing Plan) is less than the 25% of Covered Payroll total deductibility limit OR Profit Sharing Plan is less than 6% of Covered Payroll deductibility limit.

EMPLOYEE NAME	SEX	DATE OF BIRTH	DATE OF HI RE	PLAN CONSIDERED	CASH BALANCE HYPOTHETICAL ALLOCATION				PROFIT SHARING ALLOCATION				NON-ELECTIVE SAFE HARBOR ALLOCATION				401(k) ALLOCATION				CATCH UP 401(k) ALLOCATION				TOTAL EMPLOYEE ALLOCATION			
					AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%						
Age 45 owner-1	M	07/01/62	01/01/02	225,000	45	6	23	62	93,596	41.60	6,750	3.00	6,750	3.00	15,500	6.89	0	0.00	122,596	54.49								
Age 30 employee-01	M	07/01/77	01/01/06	30,000	30	2	34	62	7,500	25.00	900	3.00	900	3.00	0	0.00	0	0.00	9,300	31.00								
Age 35 employee-01	M	07/01/72	01/01/06	35,000	35	2	29	62	8,750	25.00	1,050	3.00	1,050	3.00	0	0.00	0	0.00	10,850	31.00								
Age 35 employee-02	M	07/01/72	01/01/06	35,000	35	2	29	62	8,750	25.00	1,050	3.00	1,050	3.00	0	0.00	0	0.00	10,850	31.00								
Age 35 employee-03	M	07/01/72	01/01/06	35,000	35	2	29	62	8,750	25.00	1,050	3.00	1,050	3.00	0	0.00	0	0.00	10,850	31.00								
Age 40 employee-01	M	07/01/67	01/01/06	40,000	40	2	24	62	10,000	25.00	1,200	3.00	1,200	3.00	0	0.00	0	0.00	12,400	31.00								
Age 40 employee-02	M	07/01/67	01/01/06	40,000	40	2	24	62	10,000	25.00	1,200	3.00	1,200	3.00	0	0.00	0	0.00	12,400	31.00								
Age 40 employee-03	M	07/01/67	01/01/06	40,000	40	2	24	62	10,000	25.00	1,200	3.00	1,200	3.00	0	0.00	0	0.00	12,400	31.00								
Age 45 employee-01	M	07/01/62	01/01/06	45,000	45	2	19	62	11,250	25.00	1,350	3.00	1,350	3.00	0	0.00	0	0.00	13,950	31.00								
Age 45 employee-02	M	07/01/62	01/01/06	45,000	45	2	19	62	11,250	25.00	1,350	3.00	1,350	3.00	0	0.00	0	0.00	13,950	31.00								
Age 50 employee-01	M	07/01/57	01/01/06	50,000	50	2	14	62	12,500	25.00	1,500	3.00	1,500	3.00	0	0.00	0	0.00	15,500	31.00								
TOTALS:				620,000					192,346		18,600		18,600		15,500		0		245,046									

404 Deductibility Limit is satisfied if either:

1. Cash Balance Plan + Profit Sharing + Safe Harbor <= 25% of Covered Payroll:

$$(192,346 + 18,600 + 18,600) = 229,546 <= 155,000$$

OR 2. Profit Sharing + Safe Harbor <= 6% of Covered Payroll:

$$(18,600 + 18,600) = 37,200 <= 37,200$$

NOTE: Cash Balance Plan is NOT Cross-Tested with 401(k) Plan, so 401(k) Plan is OPTIONAL, not required.